LIC Agents and their Commission

6396. SHRI MD. SALIM : Will the Minister of FINANCE be pleased to state:

(a) how many new agents have been appointed and how many are terminated upto 31st December, 1992 by LIC;

(b) how much commission of agents was forfeited and transferred to the revenue account of LIC upto 1992; and

(c) how much premia of lapsed policies has been forfeited by the LIC upto 1992 and treated as 'profit' by LIC and why?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) The requisite information is maintained by the LIC financial year-wise. Such a data is available from the year 1962-63 to 1992-93, which is given in the statement enclosed *(see* below)

(b) The LIC have reported that no commission bills are prepared in respect of terminated agents as they are not eligible to receive the renewal commission in terms of Section 44 of the Insurance Act, 1938. The amount of such commission cannot therefore be ascertained.

(c) The LIC have reported that premiums on policies are accounted as and when received. The lapsation of policies is known to LIC only after a period of time has elapsed. Under the circumstances, it is not possible to ascertain the premiums related to lapsed policies. Such premium amount under lapsed policies is not treated as profit by LIC.

Statement

Statement showing the number of Agents required and the Number of Agents terminated by the LIC upto 31st March, 1993

Year	No. of agents recruited	No. of agents terminated
1962-63*	87132	69195
1963-64	62872	58942
1964-65	50465	53159
1965-66	48551	44979
1966-67	40782	44168
1967-68	43182	43560
1968-69	34009	44927
1969-70	28283	35007
1970-71	29599	27842
1971-72	39176	23915
1972-73	32296	24818
1973-74	42286	44006
1974-75	46381	50888
1975-76	42403	47493
1976-77	37360	49491
1977-78	31478	43548
1978-79	30650	41854
1979-80	32983	28302
1980-81	33711	25622
1981-82	37274	29311
1982-83	41409	26946
1983-84	46202	30772
1984-85	55044	34181
1985-86	71852	38292
1986-87	74530	43350
1987-88	95757	49922
1988-89	118275	54922
1989-90	135875	69813
1990-91	153597	81009
1991-92	152578	96404
1992-93	150402	109190

* for 15 months from 1.1.62 to 31.3.63